

# Kentucky Rural Water Association

Helping water and wastewater utilities help themselves

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January 13, 2011

**RECEIVED**

JAN 20 2011

PUBLIC SERVICE  
COMMISSION

Mr. Jeff Derouen, Executive Director  
Public Service Commission  
PO Box 615  
Frankfort, KY 40602-0615

Dear Mr. Derouen:

Kentucky Rural Water Association will host its 2011 Management Conference at the Holiday Inn University Plaza and Sloan Convention Center in Bowling Green, Kentucky on February 23-24, 2011. We respectfully request that this training be approved for commissioners as referenced in 807 KAR 5:070.

Please find enclosed a training summary which includes a timed agenda, a description of each session, and speaker biographies. Approval has been requested from the Kentucky Board of Water Treatment and Water Distribution System Operators. A copy of that application is included.

With this letter and enclosures, Kentucky Rural Water Association requests the approval of nine (9) hours for commission and board member training. If additional information is needed please do not hesitate to contact us.

Sincerely,

Clem Wethington  
Education Director

Enclosures (Original and 5 packets)

jc

**Kentucky Rural Water Association**  
**2011 Management Conference – KRWA Think Tank**  
**February 23-24, 2011**  
**Holiday Inn University Plaza and Sloan Convention Center**  
**Bowling Green, Kentucky**

Learning Objective: The management conference will be directed toward the operators, managers, office personnel, and decision-makers of water and wastewater utilities. This year's conference will offer discussions on trends and ideas affecting our industry and will present ideas for planning and preparing for the future of drinking water and wastewater services in the Commonwealth.

A timed agenda and brief description of each session follows.

**Day One – Wednesday, February 23, 2011**

- |          |                       |  |
|----------|-----------------------|--|
| Topic #1 | 8:00 - 9:00 A.M.      | <p><b>No Earmarks. Now What? (1 hr.)</b><br/> <i>Bill Simpson, Legislative Analyst, National Rural Water Association</i><br/>           With the change in the political climate in Washington D. C. and the change in public opinion in general, earmark bans are being talked about on both sides of the aisle. Water and wastewater utilities have benefited from earmarks over the years, but are caught in the middle of this debate. Earmarks have traditionally been one of the major funding sources for large capital projects such as the replacement, upgrade, and building of new facilities. The loss of earmarks will drastically change how utilities plan for the future, both in the short and long terms. Increasing their reliance on loans will affect budgets, planned rate changes, and the timeframe within necessary changes can be completed. This session will examine some of the issues facing our utilities in the debate on earmarks and look at other federal issues affecting utilities.</p> |
| Topic #2 | 09:20 – 10:20 A.M.    | <p><b>Gauging the Financial Climate in the New Economy (1hr.)</b><br/> <i>Kevin Giddis, President, Fixed Income Capital Markets, Morgan Keegan</i><br/>           While the recent recession ended over a year ago, the recovery has been very slow. Uncertainties about the value of the dollar, interest rates, inflation, unemployment levels, and the length of the economic recovery lead to uncertainties for utilities as well. Utilities may have to survive an extended period of slow growth, a loss of customers, higher material costs, and higher labor costs. Uncertainties in how the economy will affect a utility's operation make planning for the future difficult. Current and planned projects can be significantly affected as changes in the economy occur. This session will examine some of the issues facing our utilities as the economic outlook remains uncertain.</p>  |
| Topic #3 | 10:40 – 11:40 P.M.    | <p><b>WRIS Portal (1hr.)</b><br/> <i>John Covington, Executive Director, Kentucky Infrastructure Authority</i><br/>           The WRIS Portal has been developed through the cooperative efforts of water and wastewater treatment systems and local, regional and state agencies. It is used by all of these entities, and provides much of the information needed for all aspects of water planning and emergency management decision making. The WRIS portal is designed to bring together information from a multitude of sources and display that information in one easy to use web application. The Portal is linked to databases at the Kentucky Division of Water, Kentucky Department for Local Government, the Kentucky Public Service Commission, Kentucky Department of Education, Kentucky Department of Parks, and the Kentucky Infrastructure Authority.</p>   |
|          | 11:40 A.M. – 1:00 P.M | Lunch Break  |
| Topic #4 | 1:00 – 1:45 P.M.      | <p><b>The Kentucky Mesonet: An Overview and Update (.75 hr.)</b><br/> <i>Dr. Stuart Foster, Director, Kentucky Mesonet, Western Kentucky University</i><br/>           Throughout the years, Kentucky water and wastewater utilities have had to contend with severe flooding and drought conditions. These changes in the environment lead to problems for utilities. Having a source of information that can help utilities get through these changes is critical. This presentation provides a broad overview of the design and development of the Kentucky Mesonet, an environmental monitoring system that provides high-quality data on temperature, precipitation, and other meteorological variables in near real time from stations spread throughout the Commonwealth. Examples of data supplied from the stations highlight precipitation events, ranging from the record rainfall and flood event of early May to the late summer drought of 2010.</p>   |

**Kentucky Rural Water Association**

- Topic #5            2:00 – 2:45 P.M.            **Water Availability and Managed Use**            (0.75 hr.)  
**Bill Caldwell, Environmental Scientist, Kentucky Division of Water**  
Regulatory decisions are only as good as the data used to develop the science behind them and hydrologic data is one of the most basic of all data needs. The cycle of water that begins at a withdrawal point and ends with a treated discharge is regulated in numerous ways. Since each step in the regulatory process utilizes water quantity data it is critical that we have reliable and accurate data collection. This presentation will provide an overview of the status of water resources data collection in Kentucky, the uses of that data, and the importance of ensuring a viable data network to meet the needs of the regulated community.
- Topic #6            3:00 -- 4:30 P.M.            **Compliance Check**            (1.5 hrs.)  
**Clem Wethington and Steve Capps, Kentucky Rural Water Association**  
Maintaining full compliance with the Safe Drinking Water Act, the Clean Water Act, and other state and federal requirements has never been more difficult and will only become more complex in the future. This session will discuss typical operation and management issues and how they relate to compliance. Developing proper regulation research procedures, improving recordkeeping methods, and implementing reporting practices that will be effective and efficient should be a goal of all utilities. Suggestions for implementing procedures to attain these goals and help utilities stay in compliance will be the focus of this presentation.

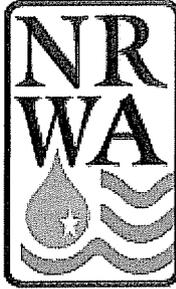
**Day Two – Thursday, February 24, 2011**

- Topic #7            8:00 – 9:00 A.M.            **Health Care – New Laws and Options to Reduce Cost**            (1 hr.)  
**Jeff Baltus, President/CEO, Employee Benefits Administrators**  
With the enactment into law of the Patient protection and Affordable Care Act, water and wastewater utilities are going to be facing changes to the insurance they provide for employees. Understanding exactly what changes are coming is quite difficult and makes planning for future budgets fraught with uncertainties. How will the act affect insurance rates and coverage levels? What changes to operating budgets will utilities have to make in response to the act? This presentation will include information on strategies that the health plan sponsor may employ over the years to: lower cost, improve outcomes, educate participants as to their role, and offer leading-edge health care delivery models than can be enacted today.
- Topic #8            9:20 - 10:20 A.M.            **Board Member Duties and Responsibilities**            (1 hr.)  
**Damon Talley, General Counsel, Kentucky Rural Water Association**  
Boards for public utilities (water districts, water associations, sanitation districts, municipalities) have basic rules, duties, and responsibilities to the public that they serve. This presentation will examine the legal and procedural frameworks for boards including: conduct of meetings, rules of order, duties and roles of individual board members and the board as a whole. This session will also contrast and compare duties and responsibilities for specific types of utilities.
- Topic #9            10:40 - 11:40 A.M.            **Problems in Common (and Common Problems): A Regulator’s Perspective on Challenges Facing Water & Wastewater Providers (and the Water & Wastewater Industry)**            (1 hr.)  
**David Spenard, Assistant Attorney General, Kentucky Office of the Attorney General**  
This session will identify the source of authority and role of the Attorney General in representing the consumers’ interest in matters before the Kentucky Public Service Commission. Further, this session will discuss major issues facing water and wastewater providers and the water/wastewater industry from a consumer advocate’s perspective.

Kentucky Rural Water Association requests the approval of nine (9) hours of continuing education credit for commissioner and board member training.

Criteria for Training Credits: Attendees will be granted credit for actual time attending the training sessions. The maximum number of hours earned for day one will be six (6) hours. The maximum number of credit hours for day two will be three (3) hours. A sheet will be provided for participants to record class attendance. Individuals must return the completed sheet to KRWA in order to receive credit for attending conference sessions.

**Kentucky Rural Water Association**



## **National Rural Water Association**

2915 South 13<sup>th</sup>  
Duncan, OK 73533

(580) 252-0629  
nrwa@nrwa.org

### **Bill Simpson, Legislative Analyst**

William (Bill) Simpson is a public policy and government relations consultant, specializing in appropriations, housing, agriculture and economic development issues and legislation. With over 19 years of experience in the legislative and executive branches of government, Bill provides a holistic approach of how government works.

Bill's background includes his work on the Senate Appropriation Committee for 7 years serving on the Full Committee and the Appropriations Subcommittees on Transportation, HUD and Agriculture, Rural Development and Related Agencies. Previous government experience also includes positions with two previous members of Congress and various positions within the Department of Agriculture including the Mississippi State Director for Rural Development, Deputy Chief of Staff to the Secretary and Senior Policy Advisor. Bill also has experience in the private sector ranging from constructing homes to working with the Mississippi Power Association.

Bill is a graduate of the University of Southern Mississippi.

## Kevin H. Giddis, Morgan Keegan

### **Executive Managing Director President, Fixed Income Capital Markets**

- U.S. Treasury Markets
- Fixed Income Trading
- The U.S. Economy and its effect on the Bond Market
- Fixed Income Market Commentary
- Retail Fixed Income Investment Strategies



**Kevin Giddis** was named president of the Firm's Fixed Income Capital Markets division in 2010. He joined Morgan Keegan in 1998 to lead the Retail Fixed Income Trading Desk and was named head of Fixed Income Sales, Trading & Research in 2008. He is a member of the Morgan Keegan Fixed Income Executive Committee, the firm's Credit Committee and he also serves on the Private Client Group's Business Leadership Team. His analysis and opinions are regularly featured in BusinessWeek, Forbes, and The Wall Street Journal and he is a frequent guest on CNBC, Bloomberg TV and Fox Business Network. Originally from Gulf Breezes, Florida, Giddis graduated from the University of Southern Mississippi.

## **Fixed Income Capital Markets**

The Fixed Income Capital Markets division is nationally recognized as one of the largest fixed income sales, trading and research operations outside Wall Street. The division includes more than 500 investment professionals encompassing sales professionals, traders, analysts and bankers working from institutional offices located throughout the South and in Boston, Chicago and New York. Morgan Keegan ranks among the top 10 municipal underwriters and is one of the top government agency underwriters in the United States. The research department is known for its proprietary analytics system, eFolio<sup>®</sup>, which is used by the Office of the Comptroller of the Currency (OCC) in the oversight of banks nationwide.

John E. Covington, Executive Director  
Kentucky Infrastructure Authority

FRANKFORT, KY (May 7, 2008) – In a special board meeting held May 1, 2008, the Kentucky Infrastructure Authority appointed John E. Covington, III as the new Executive Director.

Covington has worked for the KIA for 16 years as a Financial Analyst and Treasurer. He has a total of 23 years combined service working in Kentucky State Government with a Bachelor of Arts in Government and History from Centre College and a Bachelor of Science in Accounting from Western Kentucky University.

“I’m very pleased that we could promote such an experienced and talented member of the KIA staff to such an important leadership role in developing the Commonwealth’s infrastructure,” said Tony Wilder, Commissioner of the Governor’s Office for Local Development (GOLD) and Chairman of the KIA Board.

“I look forward to working with the Beshear administration in continuing the Authority’s mission to improve the quality of life for Kentuckians through safe drinking water and wastewater treatment,” said Covington. The KIA was created in 1988 to provide the mechanism for funding construction of local public works projects.

Covington lives with his wife, Mendy, in Frankfort and has two children.

**Dr. Stuart A. Foster**  
The Kentucky Mesonet  
Western Kentucky University

Dr. Stuart A. Foster is professor of Geography at Western Kentucky University. He is director of the Kentucky Climate Center and Kentucky Mesonet. He has served as state climatologist since 2000 and is director of the Kentucky Climate Center, which serves as the State Climate Office for Kentucky, and the Kentucky Mesonet. Dr. Foster received his B.A. in Geography from West Virginia University in 1981. He completed his graduate education at The Ohio State University, including his M.A. in Geography in 1983 and his Ph.D. in Geography in 1988. Current interests focus on aspects of Kentucky's climate, issues in climate monitoring, and the analysis and visualization of climatological data in the delivery of climate services.

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**Bill Caldwell**, Environmental Scientist, Water Quantity Management

Energy & Environment Cabinet  
Department for Environmental Protection  
Kentucky Division of Water  
200 Fair Oaks Lane  
Frankfort, KY 40601

The Kentucky Division of Water continuously monitors hydrologic conditions throughout the state, including precipitation, stream flows, lake elevations and various drought indices. This information is used to detect emerging drought conditions, to identify the locations and severity of drought and to provide timely and appropriate public notification.

**CLEM WETHINGTON**  
Kentucky Rural Water Association

Clem Wethington, Education Director, came to Kentucky Rural Water Association in 1987 from the City of Eddyville where he was Superintendent of Public Works for over eight years. For nine years he served on the Eddyville City Council. Clem holds the following licenses: Class IIIA Kentucky Water Treatment Plant Operator's License, Class II Kentucky Water Distribution System Operator's License, and Class I Kentucky Wastewater Treatment Plant Operator's License.

Other positions Mr. Wethington has held while at KRWA is that of Circuit Rider, Groundwater Technician, Program Specialist, and Compliance Specialist. His primary duties as Circuit Rider were to provide technical assistance and hands-on training to rural water utility personnel. As a Groundwater Technician he helped communities develop local wellhead protection plans. The Program Specialist is dually responsible for providing training and technical assistance to water systems. As a Compliance Specialist he trains and assists utilities with regulations, recordkeeping, & reporting.

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**Stephen L. Capps**  
Kentucky Rural Water Association

Steve Capps came to Kentucky Rural Water Association in 1994 from the City of Burkesville, Kentucky where he had served as Director of Public Works for twelve (12) years. He also had experience as the Water Treatment Plant Operator and also the Wastewater Treatment Plant Operator for six (6) years. He is currently certified in water treatment, wastewater treatment and holds a certificate as a water distribution system operator.

Mr. Capps served as the Wastewater Technician for the Kentucky Rural Water Association from June 1994 to June 1999. His primary duties as Wastewater Technician were to provide technical assistance and hands-on training to rural wastewater utility personnel throughout Kentucky.

Mr. Capps' position with the Kentucky Rural Water Association from June 1999 to the present is that of Wastewater Trainer/Technician and Compliance. In that capacity he provides on-site technical assistance and training to small rural municipal wastewater treatment systems and rural systems in unincorporated areas.

## **Jeff Baltas**

### **Employee Benefits Administrators**

Jeff Baltas, Chief Executive Officer and a Principal of Employee Benefits Administrators, Inc., a Kentucky-based third party administration company, administering health plan lives in 25 states, and the President of BaltasVision, LLC, Kentucky's only stand-alone, vision insurer.

Mr. Baltas is a twenty year veteran of the health care industry. Over the years he has worked with clients such as Blue Cross Blue Shield of Virginia in HMO development, Kentucky Medical Insurance Corporation in assessing strategic relationships, and created partnerships with Bluegrass Family Health to provide administration to their self-funded clients. In addition to this, Mr. Baltas is an expert in both fully- and partially self-funded health plans, has built medical and optometric networks, and regularly negotiates with stop-loss reinsurers and pharmacy benefit companies.

An advocate of re-establishing "consumerism" in the health care model, Mr. Baltas will present a market-based perspective on the Patient Protection and Affordable Care Act. The presentation will include information on strategies that the health plan sponsor may employ over multiple years to; 1) lower costs, 2) improve outcomes, 3) educate participants as to their role, and 4) offer leading-edge health care delivery models that can be enacted today.

## **BIOGRAPHICAL INFORMATION**

**for**

**Damon Talley  
Attorney at Law**

P. O. Box 150  
112 North Lincoln Blvd.  
Hodgenville, KY 42748  
(270) 358-3187

### **EDUCATION:**

Law School: University of Kentucky College of Law  
Degree: Juris Doctor – May 1975  
Undergraduate: University of Kentucky College of Engineering  
Degree: Bachelor of Science-Mechanical Engineering  
(with highest distinction)

### **PROFESSIONAL QUALIFICATIONS:**

Kentucky Bar Association: Member in good standing since 1975;  
Charter Life Fellow, KY Bar Foundation;  
Member, House of Delegates 1994-2000  
U.S. Supreme Court: Admitted in 1979  
U.S. District Court for the  
Western District of KY: Admitted in 1977  
Eastern District of KY: Admitted in 1997  
Martindale-Hubbel b v Rating

### **LEGAL EXPERIENCE:**

1983 – Present: Damon R. Talley, P.S.C., Hodgenville, KY  
Engaged in the general practice of law with primary  
emphasis on representing utilities.  
1975 – 1983: Hensley, Talley & Dunn, Horse Cave, KY  
Partner in law firm which primarily defended insurance  
carriers and their insureds in an approximately 25 county  
area in South Central, KY. Extensive practice in Workers'  
Compensation, negligence, products liability, insurance,  
construction, and commercial litigation.

## **David Spenard, Assistant Attorney General**

David Edward Spenard has been serving as an Assistant Attorney General in the Kentucky Office of the Attorney General since 1992. His primary responsibility is representing the consumers' interest in matters pertaining to drinking water and waste water utilities. He has been a member of the NASUCA Water Committee since 1997, and currently serves as Water Committee Chair. He is a contributing author (Kentucky state survey) for the treatise *WATERS AND WATER RIGHTS* (R.E. Beck Ed. 2005), and is in his second term as a member of the Water Research Foundation's Public Council on Drinking Water. In his role as an Assistant Attorney General, he also represents the Commonwealth in supervising and protecting assets dedicated to a charitable or public use and is an active member of the National Association of State Charitable Officials. His work includes focusing on nonprofit/for-profit hybrids, and, in February 2010, his article "Panacea or Problem: A State Regulator's Perspective on the L3C Model" was published in Volume 65 of *THE EXEMPT ORGANIZATION TAX REVIEW*. He has a B.S. in Accounting from the University of Kentucky and a J.D. from the University of Louisville.

<p><b>Mail to:</b></p> <p>Division of Compliance Assistance          Certification and Licensing Branch          Operator Certification Program          300 Fair Oaks Lane          Frankfort, KY 40601</p>	<p>Commonwealth of Kentucky          Department for Environmental Protection</p> <p><b>Application for Approval of Courses for          Continuing Education Credit</b></p> <p><i>Drinking Water Treatment, Drinking Water Distribution,          Bottled Water,          Wastewater Treatment and Collection System</i></p> <p>Telephone: 1-800-926-8111          www.dca.ky.gov/certification</p>	<p><i>For Official Use Only          Do not write in this space</i></p> 
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**I. Course Sponsor Information:** \_\_\_\_\_ **Agency Interest Number:** \_\_\_\_\_

A. Sponsoring Organization (school, business, association, etc.):

Kentucky Rural Water Association

Key Contact Person:

Name and Title: Janet Cole, Education Coordinator

Address: PO Box 1424

City, State and Zip: Bowling Green, KY 42102-1424

Phone and Fax: Ph: 270.843.2291 Fx: 270.796.8623

E-mail: j.cole@krwa.org

Web Page: www.krwa.org

One-Time Approval Requested

Two-Year Approval Requested

B. If individual requesting approval is different than the key contact person for the sponsor, please complete the following information:

Name and Title: \_\_\_\_\_

Address: \_\_\_\_\_

City, State and Zip: \_\_\_\_\_

Phone and Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

**II. General Course Information:**

A. Title: 2011 Management Conference – KRWA Think Tank

B. Location and Date/s: Sloan Convention Center, Bowling Green, KY February 23-24, 2011

C. Cost per Student or Group: \$ -0-

D. Delivery Format or Media (check those that apply):

- |   |                                     |                                      |   |
|---|-------------------------------------|--------------------------------------|---|
| <input checked="" type="checkbox"/> Classroom | <input type="checkbox"/> Web/Online | <input type="checkbox"/> Laboratory  | <input type="checkbox"/> Exhibition     |
| <input type="checkbox"/> Field                | <input type="checkbox"/> CD-ROM     | <input type="checkbox"/> Video/Audio | <input type="checkbox"/> Correspondence |
| <input type="checkbox"/> Other (Explain)      | _____                               |                                      |   |



E. Continuing Education Credits (hours) Requested for Target Audience:

Drinking Water Treatment, Distribution and/or Bottled Water: 9 hours

Wastewater Treatment and/or Collection: 9 hours

(Attach a detailed description explaining how this training relates to th

Required Items (must be attached to submittal, check off as completed):

- Course Learning Objectives
- Criteria for Successful Completion by Operators
- Agenda (timed with instructors identified and brief description of topics)
- Credentials for All Instructors

- III.  
A.  
B.  
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- IV.  
A.  
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Additional Attachments (required for distance learning courses, optional for other train

- Instructional Design (developed by whom/their credentials)
- Curriculum Content (subject matter experts/their credentials)
- Required Assignments and/or Examinations (type, passing score, etc.)
- Mandatory Time Constraints (deadlines, granting of extensions, etc.)

Signature of Sponsor's Contact Person

I confirm that all information provided with this application is accurate to the best of my knowledge attendees and credits to be awarded to them will be forwarded on a "Continuing Education Ac. Kentucky Division of Compliance Assistance (within 30 days of completing the course when possible,

Printed Name and Title: Janet Cole, Education Coordinator

Signature and Date: Janet Cole

1/13